

State of New Jersey

OFFICE OF THE STATE COMPTROLLER
P.O. Box 024
Trenton, NJ 08625-0024

CHRIS CHRISTIE
Governor
KIM GUADAGNO
Lt. Governor

A. MATTHEW BOXERState Comptroller

April 13, 2011

Contact: Pete McAleer

609-633-2377

State Comptroller Report Finds New Jersey Spends Millions on Unnecessary Clothing Allowances for White-Collar State Workers

Report also finds State's collective bargaining agreements provide clothing allowances that are far more generous than those in other states reviewed

The state of New Jersey pays thousands of white-collar state employees an annual uniform-maintenance stipend, yet nearly half of those employees do not wear a uniform, according to a report released today by the Office of the State Comptroller (OSC).

An OSC survey found that 48 percent of white-collar employees receiving the \$700 annual payment do not wear uniforms or other specialized work clothing. Clothing maintenance payments to employees not subject to clothing requirements totaled more than \$3 million this fiscal year.

"The state spends millions of dollars every year to cover the cost of uniforms for state employees who don't actually wear uniforms," State Comptroller Matthew Boxer said. "It's absurd."

Eligibility for the clothing allowance benefit is governed by collective bargaining agreements entered into by the state. The current collective bargaining agreements span the period July 1, 2007 through June 30, 2011.

The OSC report found that New Jersey's clothing allowance policies are far more generous than those of other states reviewed. For example, rather than provide reimbursements for actual clothing expenses, New Jersey provides a flat \$700 payment in payroll checks once a year. The state does not require its employees to present a receipt or other proof of purchase in order to receive the allowance.

Of the seven other states reviewed by OSC – New York, Pennsylvania, Ohio, Michigan, Maryland, Connecticut and California – only California provides clothing allowances greater than \$175, according to collective bargaining agreements. California will reimburse its employees up to \$450 a year if the expense is substantiated by a receipt. Pennsylvania pays up to a \$175 clothing allowance and New York pays a \$58 allowance to employees in a limited number of job titles.

In interviews conducted by OSC, administrators at five different New Jersey state departments confirmed that clothing allowances are provided to department employees who are not required to wear uniforms or special clothing.

A human resources manager at the Department of Transportation said the allowance "is more or less looked at as a bonus." A human resources manager at the Commission for the Blind and Visually Impaired, where \$42,350 has been spent this fiscal year on clothing allowances for 64 employees, called the payment "a waste of money."

Under current collective bargaining agreements, state employees working in 419 job titles were eligible for the clothing allowance this fiscal year. Among the job titles designated to receive the allowance were Public Information Assistant, Day Care Counselor, Investigator, Computer Operator 1 and Teaching Assistant - 12 months.

In total, more than \$4.8 million in such allowances has been paid this year to employees in white-collar job titles, such as office workers, administrative workers and workers with specialized educational training.

The OSC report recommends the state seek to eliminate clothing allowance payments for employees who are not required to wear uniforms or other special clothing. It also recommends that any clothing allowance compensation be more transparent, noting that clothing allowance eligibility is governed by multiple agreements, side agreements and agreements that reference terms from yet other agreements.

"Figuring out who exactly is entitled to these payments should not be so complicated," Boxer said.

The Office of the State Comptroller began looking at the issue of clothing maintenance allowances last year after receiving a complaint on OSC's hotline from an anonymous state worker. OSC's toll-free hotline number is 1-866-547-1121.